WALL STREET JOURNAL, 4/13/64

President Disclaims Concern About Austin TV Antenna Dispute

FCC Seeks Details of 50% Option Johnson Station Has on 1 Firm Competing to Supply Services

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON — President Johnson denied any concern, personal or political, over the community antenna television wrangle in Austin or the involvement of the Johnson family's TV station there. "I am not keeping up with it, but I am not concerned about it," the President said at a news conference Saturday.

The dispute may reach a new climax this week. Two companies are in a competitive race to sign up Austin TV watchers for antenna services that bring into the city programs from other communities, principally San Antonio. Austin's only local TV station, KTBC-TV, has been controlled by Mrs. Johnson for many years; she put her stock in trusteeship when Mr. Johnson became President, but retains beneficial ownership. Both community antenna concerns are, in effect, challenging the Johnson TV "monopoly," but the First Family has an even more direct stake in the outcome: KTBC-TV holds an option to buy 50% of the stock of one of the concerns, Capital Cable of Austin, Inc.

Capital Cable's struggle with TV Cable of Austin, Inc., is at the moment being waged as much in Washington as in Austin.

The Federal Communications Commission became involved last year when TV Cable obtained a microwave relay license and thus came under FCC regulations. Capital Cable, using wire relays, never came under FCC jurisdiction. Now TV Cable is asking the FCC for relief, asserting that the option tie constitutes unfair competition.

The commission twice has asked for details of the option agreement and Capital Cable has twice refused.

It was about this aspect of the case that Mr. Johnson was questioned at his news conference.

"Mr. President," a reporter said, "there have been a number of stories printed recently concerning the community antenna situation in Austin. Do you think there is any reason why the terms of the option agreement . . . should not be furnished to the FCC?"

President Johnson never answered the question. He reiterated that he personally has "no interest in any television any place." Then he added, "The interest that Mrs. Johnson held and that my family held has been placed in trusteeship, and any statements in connection with the operation of those interests would have to come from the trustees. I am unfamiliar with it and I am not keeping up with it, but I am not concerned about it." He then went on to the next question.

The subject, however, may well come up again. Some Republicans, such as Sen. Goldwater, have long tried to make a political issue of the Johnson TV "monopoly" in Austin. GOP strategists are keeping a close watch on the community antenna fracas at the FCC.

The commission this week is expected to act on a staff recommendation that it make a new try at obtaining the option agreement

Filters Remove Some Of Cigarets' Hazard, Two Researchers Say

• • •

They Estimate Current Filters Have 50% Less Tar, Nicotine Than Nonfilters Decade Ago

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK—Two scientists at the Sloan-Kettering Institute of Cancer Research said filters are removing a large portion of the cancer-causing substances in cigaret smoke.

But Drs. Ernest L. Wynder and Dietrich Hoffmann said it would be unrealistic to say that their findings indicated cigaret smoking could ever be made entirely safe.

"On the basis of laboratory findings, however, in line with common sense, we would predict that less hazardous cigarets are a matter of reality," the doctors said in a paper presented at the annual meeting of the American Association for Cancer Research in Chicago.

The scientists estimated the 1964 smoker of filtered cigarets is exposed, on the average, to approximately 50% less tar and nicotine than the smoker of cigarets without filter tips of 10 years ago.

Drs. Wynder and Hoffmann based the 50% estimate on laboratory studies showing a decrease in tar in smoke from filter cigarets and on epidemiologic reports that indicate the average filter-tip smoker hasn't increased his cigaret consumption.

They said not only is the total tobacco tar reduced, but the remaining tar contains less cancer-inducing properties. This is caused, the researchers said, by changes in tobacco itself and its combustion.

In many present-day cigarets, more complete burning is being brought about by the use of "homogenized" and air-cured tobaccos. Drs. Wynder and Hoffmann said even better combustion was found in the laboratory by smoking cigarets made from stems and homogenized tobaccos or from finer cuts of tobacco.

Homogenization is a process in which all the tobacco leaf elements going into a cigaret are first broken down and then mixed into a uniform product.

Keasbey & Mattison's Former Chief Acquitted Of Price-Fixing Charges

By a WALL STREET JOURNAL *Staff Reporter*

PHILADELPHIA—Robert R. Porter, former president and chairman of Keasbey & Mattison Co., was acquitted of charges of violating the antitrust laws in the asbestos cement pipe and coupling field.

U.S. District Court Judge Francis Van Dusen ordered a directed verdict of acquittal for Mr. Porter at the conclusion of the Government's case against Johns-Manville Corp., Keasbey & Mattison and five of their officials. He said there wasn't sufficient evidence to

Fireman's Fund Plans To Enlarge Operation In Life Insurance Are

Large Fire, Casualty Firm to I $5 Million in Small Life U Surplus to Finance Expans

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK — Fireman's Fund Insur Co., a large fire and casualty insurer in San Francisco, plans to expand its life insurance operation.

Fred H. Merrill, president, disclosed an interview at the company's offices

Fireman's Fund acquired a small life sidiary when it took over American Insur Co., Newark, N.J., early last year. Th sulted from American's 1962 purchase of state Life Insurance Co., which had formed by a finance company to write cr life insurance on instalment-account debt

Mr. Merrill said this unit will be used as nucleus of a nationwide general life insur company, to operate in close conjunction Fireman's Fund's substantial health insur business. That department produced $58 lion of the company's total premium income $525.2 million last year, and showed an ating profit.

To finance the expansion, he said, F man's Fund will put $5 million into the subsidiary's surplus; at the start of this the unit had capital of $1 million and sur of $858,209.

Mr. Merrill said the parent company ha force of 30 experienced health and life ins ance men. The life company, he added, has erating licenses in about 40 states and lice applications pending in nearly all states.

Most large fire and casualty insurers in cent years have expanded into life insura by either acquiring established life compa or organizing new life subsidiaries.

In Fireman's Fund's overall operati January and February produced substan improvement in underwriting results from unfavorable showing a year earlier, accord to Mr. Merrill. He said the operating rat roughly, the relationship claim costs and g eral expenses bear to premium income— to 100.3% from 104.9% a year earlier.

Noting that the second half almost alwa shows better underwriting results than early months, he said: "If we can hit by June 30, then if history repeats itself, have a good chance to finish the year in black on our underwriting."

For all 1963, Fireman's Fund had an u derwriting loss—the excess of claim costs a general overhead over earned premium come—of $16,450,439, or more than double $7,674,728 of 1962. Investment income of $ 182,024 last year more than offset the und writing loss and gave the company net opera ing income, before taxes, of $11,731,585, dow from the previous year's $18,699,137.

With the addition of $18,105,933 of prof from the sale of investment securities and a income tax deduction, the company had n income of $25,809,599 for 1963, up from $ 965,717 in 1962, when security sale profit an income taxes were lower.

10050278 9

Source: https://www.industrydocuments.ucsf.edu/docs/xpmk0000